BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA



Order Instituting Rulemaking on Regulations Relating to Passenger Carriers Ridesharing, and New Online-Enabled Transportation Services.

R.12-12-011 (Filed December 20, 2012)

MOTION FOR PARTY STATUS OF SECURIDE, INC.

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Pursuant to Rule 1.4(a)(4) of the California Public Utilities Commission ("CPUC") Rules of Practice and Procedure, Securide, Inc. ("Securide") requests party status in the above-referenced proceeding.

I. COMMUNICATIONS

Communications and correspondence regarding these proceedings should be directed to the following individuals:

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II. DESCRIPTION OF PARTY

Securide is a California corporation and transportation network company ("TNC") applicant. Securide has developed a technology that will allow taxi companies to compete in the ridesharing sector and regain some of the market share that they have lost from the emergence of TNCs such as Uber and Lyft. Securide's business and its technology are the response of a taxi industry that has been decimated by the influx of TNCs, created by the legislature and regulated

by the CPUC, which offer consumers more affordable for-hire transportation options than traditional taxicabs. Taxis are prevented from charging variable rates when they operate using their transmission-based taxi meters, which effectively prevents them from being able to compete with TNCs. Securide's technology allows taxis to seamlessly morph in both rate structure and appearance from traditional taxicabs into TNC-compliant vehicles or non-taxis.

While operating as taxis, these vehicles will charge set rates using traditional transmission-based taxi meter technology, and they will maintain their ordinary physical characteristics of bright paint, top lights, and the name of their taxi company written on the sides. In their off time, or non-taxi time, these vehicles will operate in Securide's TNC network and use Securide's mobile application to charge variable rates based on demand. When operating as personal vehicles in Securide's TNC network, these vehicles will shed their top lights and add TNC trade dress to avoid any confusion otherwise drawn from their appearance. Furthermore, customers will only be able to summon these vehicles using a consumer-facing mobile application – never directly from the curb. A helpful analogy is to the driver who delivers Domino's Pizza in the morning in his/her car dressed up in Domino's design, but removes the design at night to drive for a TNC.

With fleets capable of operating in dual ride-for-hire capacities, taxi companies will now be able to compete in the ridesharing market space, and recapture some of their lost revenue and market share, by providing services and rates that live up to consumer demand. Consumers will benefit from being able to hire fully-vetted taxi drivers at TNC rates, giving them a safer, higher quality of service for a lower price. Taxi drivers must be fingerprinted and must pass rigorous background checks. In addition, they usually have a high degree of local navigational knowledge, which is often lacking among many TNC drivers. Thus, Securide aims to allow the taxi industry to compete for its lost market share and to provide consumers with more ridesharing options with a safer and higher quality of service.

III. STATEMENT OF INTEREST

Securide's ability to operate as a TNC depends upon the Commission's definition of the

term "personal vehicle." Although the current definition of "personal vehicle" does not preclude the vehicles to be used in Securide's network, the CPUC has refused to consider Securide's Application for TNC Authority, on the ground that the vehicles intending to operate in the Securide network are not "personal vehicles" for TNC purposes.

The CPUC staff explained to Securide that the primary reason that Securide's TNC application was preliminarily rejected was because taxis are typically registered with the DMV as "commercial vehicles," as defined by Cal. Vehicle Code § 260, and that as such, they do not fit within the definition of "personal vehicles." As the term "personal vehicle" has not yet been defined in the context of TNC regulation, the Commission directed a third phase of this rulemaking proceeding to establish such a definition, among other things.

Securide requests party status to address this important issue and others which may arise throughout the remainder of this proceeding.

IV. STATEMENT OF INTENDED CONTENTIONS

If granted party status, Securide will propose, in sum, that the designation of a vehicle as "commercial" by the Department of Motor Vehicles should have no bearing on whether such a vehicle may be a "personal vehicle" for purposes of operation in a TNC network. Nor should the fact that a vehicle is used as a taxicab when it is not operating as a personal vehicle in a TNC network. Granting Securide's motion for party status will not expand the scope of issues or delay the current proceeding schedule.

V. CONCLUSION

For the foregoing reasons, this motion for party status should be granted.

Dated: July 11, 2016

Respectfully submitted,

Neil S. Lerner

Counsel for Securide, Inc.